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WISCONSIN ECONOMIC INDICATORS

AUGUST 1987



DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RESOURCES

WISCONSIN DATA AND SOURCES

INDICATOR	SOURCE
L1 Composite Index of Leading Indicators	Wis. Dept. of Industry, Labor and Human Relations
L2 Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3 Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4 Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5 Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6 New Business Incorporations	Wisconsin Secretary of State
L7 Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8 Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1 Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2 Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3 Natural Gas Sales	Wisconsin Public Service Commission
C4 New Car Registrations	Wis. Department of Transportation
C5 Electric Power Sales	Wisconsin Public Service Commission
C6 Total Securities Registrations	Wisconsin Commissioner of Securities
C7 Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8 Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9 Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10 Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1 Birth Registrations	Wis. Department of Health and Social Services
X2 Death Registrations	Wis. Department of Health and Social Services
X3 Natural Net Gain in Population	Wis. Department of Health and Social Services
X4 Marriage Registrations	Wis. Department of Health and Social Services
X5 Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6 Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7 Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8 Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9 Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

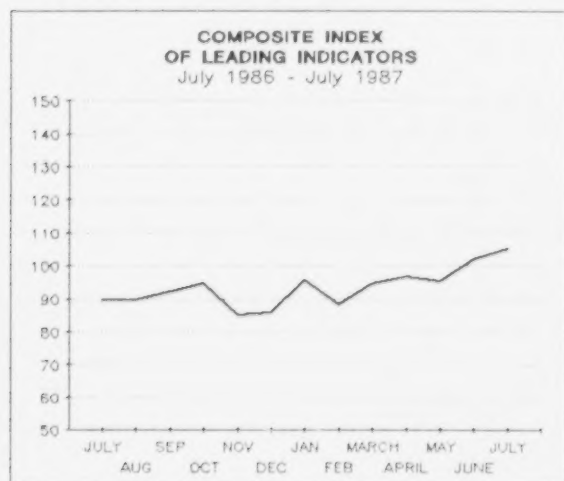
WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR JULY

COMPOSITE INDEX

The Composite Index, Wisconsin's economic barometer composed of leading indicators, increased in July to 105.1 points. This month's level is the highest in over eight years, and the second consecutive month of an over-one-hundred figure.

The majority, but not all, of June's leading indicators showed positive economic trends. A small decrease in the average number of initial claims for unemployment compensation provided a large boost in the index. That is because the initial claims average would have increased by over a thousand if following the normal July seasonal pattern.



LEADING INDICATORS

During July, production workers in Wisconsin's manufacturing industries matched their month-earlier work time. The average weekly

hours spent on the job amounted to 41.2 hours, the same as June's average. However, a decrease in the average of about three-tenths of an hour would have been normal for July, so an unchanged workweek is a positive trend.

Contributing to the stable workweek was an increase in overtime. July's overtime average usually decreases slightly. The steady workweek combined with a growth in manufacturing employment to raise the labor input in manufacturing to the highest level in nearly five years.

The average weekly initial claims for unemployment compensation decreased by 88 in July, a very slight decrease. What is unusual is a decrease in a month which normally has a large increase of claims. An increase in the average amounting to about eleven hundred would have fit the normal seasonal pattern for this July. However, while total employment declined by over five thousand, the number of unemployed and of those pursuing a job declined by twice that. Thus, the labor force shrank.

The total number of job openings received by state Job Service offices increased by 557 in July. The increase in calls for workers, while slower than seasonally normal, pushed the job-openings level to over nine thousand, the highest level in nine months.

New business incorporations increased slightly in July--by just 21 more than the month earlier. Incorporations, however, usually decrease this month. A decrease of about 30 would have been normal.



WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS Seasonally Adjusted	INDEX	105.1	Jul	101.7	89.5	3.3	17.4	93.0
L2 AVG. WORK WEEK, MFG. Unadjusted	HOURS	41.2	Jul	41.2	41.0	0.0	0.5	41.4
Seasonally Adjusted		41.5		41.2	41.3	0.7	0.5	
L3 AVG. OVERTIME HOURS, MFG. Unadjusted	HOURS	3.7	Jul	3.6	3.4	2.8	8.8	3.6
Seasonally Adjusted		3.9		3.7	3.5	5.4	11.4	
L4 AVG. WEEKLY INITIAL CLAIMS Unadjusted	NUMBER	6527	Jul	6615	6988	- 1.3	- 6.6	8802
Seasonally Adjusted		7003		8197	7497	-14.6	- 6.6	
L5 TOTAL JOB OPENINGS REC. Unadjusted	NUMBER	9115	Jul	8558	9160	6.5	- 0.5	7743
Seasonally Adjusted		7465		8081	7501	- 7.6	- 0.5	
L6 NEW BUSINESS INCORPORATIONS Unadjusted	NUMBER	544	Jul	523	534	4.0	1.9	539
Seasonally Adjusted		532		483	522	10.1	1.9	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES Unadjusted	NUMBER	2413	Jul	2431	2071	- 0.7	16.5	1276
Seasonally Adjusted		2142		2060	1237	4.0	73.2	
L8 BUILDING PLANS EXAMINED Unadjusted	NUMBER	808	Jul	763	645	5.9	25.3	560
Seasonally Adjusted		676		681	540	- 0.7	25.2	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.) Seasonally Adjusted	INDEX	67	Apr	66	56	1.5	19.6	60
C2 UNEMPLOYMENT RATE, TOTAL Unadjusted	PERCENT	5.1	Jul	5.5	6.4	-	-	7.0
Seasonally Adjusted		5.5		5.9	6.9	-	-	
C3 NATURAL GAS SALES Unadjusted	MIL THERMS	63.1	Jun	89.9	94.6	-29.8	-33.3	214.6
Seasonally Adjusted		133.4		137.7	199.8	- 3.1	-33.2	
C4 NEW CAR REGISTRATIONS Unadjusted	NUMBER	16,008	Jul	15,405	18,322	3.9	-15.0	16,947
Seasonally Adjusted		13,750		13,169	18,555	4.4	-25.9	
C5 ELECTRIC POWER SALES Unadjusted	MIL KWH	2188.7	Jun	2042.8	1974.0	7.1	10.9	1946.0
Seasonally Adjusted		2186.5		2101.6	1973.0	4.0	10.8	
C6 TOTAL SECURITIES REGISTRATIONS Unadjusted	MIL DOL	120.7	Jul	119.0	137.4	1.4	-12.2	171.0
Seasonally Adjusted		163.1		111.5	185.7	46.3	-12.2	

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WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.	
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	531.8	Jul	526.6	521.0	1.0	2.1	513.0
Seasonally Adjusted		523.4		520.4	512.8	0.6	2.1	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	429.30	Jul	430.95	421.89	- 0.4	1.8	427.38
Seasonally Adjusted		435.84		431.38	428.21	1.0	1.8	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	399.4	May	379.7	409.8	5.2	- 2.5	416.8
Seasonally Adjusted		416.0		404.4	426.9	2.9	- 2.6	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	69.9	Jul	68.3	69.7	2.3	0.3	64.0
Seasonally Adjusted		61.7		62.2	61.6	- 0.8	0.2	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6586	Jul	6749	6186	- 2.4	6.5	6,033
Seasonally Adjusted		6093		6845	5722	-11.0	6.5	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3438	Jul	3492	3267	- 1.5	5.2	3,514
Seasonally Adjusted		3331		3695	3166	- 9.9	5.2	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3148	Jul	3257	2919	- 3.3	7.8	2,519
Seasonally Adjusted		2630		3190	2439	-17.6	7.8	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4128	Jul	5307	4100	-22.2	0.7	3,207
Seasonally Adjusted		3044		3854	3024	-21.0	0.7	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	340.0	Jun	(Nov '86) 330.7	(Jul '86) 331.3	2.8	2.6	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	Jul	134	128	0.0	4.7	131
Seasonally Adjusted		137		136	131	0.7	4.6	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-104	Jul	98	572	-206.1	-118.2	1,363
Seasonally Adjusted		1503		1566	1054	- 4.0	42.6	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	437	Jul	392	1544	11.5	-71.7	769
Seasonally Adjusted		390		408	1379	- 4.4	-71.7	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	18,844	Jul	50,530	28,132	- 8.2	-33.0	26,223
Seasonally Adjusted		17,578		18,664	26,245	- 5.8	-33.0	

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LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month*	Month Ago	Year Ago	Month Ago	Year Ago
<i>Unadjusted</i>					
CIVILIAN LABOR FORCE	2510.7	2527.7	2426.8	- 0.7	3.5
Employment (Inc. Labor Disputes)	2382.2	2387.7	2270.4	0.2	4.9
Unemployment	128.5	140.0	156.4	- 8.2	-17.8
Unemployment Rate	5.1	5.5	6.4	-	-
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	2473.8	2471.5	2393.6	0.1	3.4
Employment (Inc. Labor Disputes)	2337.8	2324.9	2228.1	0.6	4.9
Unemployment	136.0	146.6	165.5	- 7.2	-17.8
Unemployment Rate	5.5	5.9	6.9	-	-

WISCONSIN EMPLOYMENT ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2066.0	2085.2	2021.7	- 0.9	2.2
<i>Unadjusted</i>					
Manufacturing	531.4	526.2	520.0	1.0	2.2
Mining	2.5	2.4	2.4	4.2	4.2
Contract Construction	69.9	68.3	69.2	2.3	1.0
Transportation and Public Utilities	91.4	94.3	90.7	- 3.1	0.8
Elec., Gas and Sanitary Services	18.0	18.0	17.9	0.0	0.6
Wholesale Trade	104.1	103.7	101.9	0.4	2.2
Retail Trade	395.3	395.8	384.2	- 0.1	2.9
General Merchandise	49.3	49.0	47.4	0.6	4.0
Finance, Insurance and Real Estate	113.5	112.8	109.6	0.6	3.6
Banking	28.8	28.6	28.2	0.7	2.1
Insurance	37.0	36.6	35.8	1.1	3.4
Service and Miscellaneous	454.2	453.0	439.0	0.3	3.5
Hospitals	69.2	68.9	67.2	0.4	3.0
Private Education	20.3	22.3	20.9	- 9.0	- 2.9
Government	303.7	328.7	304.5	- 7.6	- 0.3
State Government	77.4	78.8	78.4	- 1.8	- 1.3
Local Government	197.3	220.9	197.2	-10.7	0.1

UNITED STATES LABOR FORCE ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
<i>Seasonally Adjusted</i>					
CIVILIAN LABOR FORCE	119,952	119,517	118,117	0.4	1.6
Employment	112,727	112,257	109,887	0.4	2.6
Unemployment	7,224	7,260	8,230	- 0.5	-12.2
Unemployment Rate	6.0	6.1	7.0	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT (Unadjusted) JULY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	531.4	526.2	520.0
All Manufacturing (Excluding Canning)	513.3	512.9	501.9
Durable Goods	316.2	316.4	309.9
Lumber and Wood Prod., (Except Furniture)	26.0	25.9	24.0
Sawmills and Planning Mills	3.2	3.2	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.8	13.6	12.1
Furniture and Fixtures	11.0	11.3	10.1
Household Furniture	4.5	4.7	4.0
Stone, Clay and Glass Products	9.6	9.5	8.6
Concrete, Gypsum and Plaster Products	5.1	5.0	4.3
Primary Metal Industries	18.8	18.6	19.0
Iron and Steel Foundries	9.8	9.8	9.7
Fabricated Metal Products	51.6	51.2	51.7
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.2	7.0	6.4
Fabricated Structural Metal Products	12.2	12.2	12.4
Metal Stampings	10.6	10.3	10.5
Machinery (Except Electrical)	99.8	99.8	96.3
Engines and Turbines	19.8	19.4	17.1
Farm Machinery and Equipment	11.8	12.1	11.3
Const., Min. & Material Handling Mach. & Equip.	11.2	11.3	11.2
Metalworking Machinery and Equipment	10.6	10.8	10.9
Special Industry Machinery (Except Metalworking)	12.1	11.9	11.8
General Industrial Machinery and Equipment	13.9	14.0	13.8
Service Industry Machines	6.9	6.8	7.1
Electrical Machinery, Equipment and Supplies	46.6	47.5	48.3
Electrical Industrial Apparatus	15.1	15.3	16.1
Household Appliances	5.6	6.2	6.1
Transportation Equipment	32.2	32.1	31.3
Motor Vehicles and Equipment	25.4	25.2	23.8
Instruments and Related Products	10.8	10.8	11.4
Miscellaneous Manufacturing	9.8	9.7	9.2
Nondurable Goods	215.2	209.8	210.1
Food and Kindred Products	69.7	64.8	69.1
Meat Products	13.7	13.6	14.6
Dairy Products	18.3	18.3	17.5
Canning and Preserving	18.1	13.4	18.1
Bakery Products	5.4	5.3	4.6
Beverage Industries	7.4	7.5	7.6
Textile Mill Products	4.0	4.0	4.0
Knitting Mills	3.5	3.4	3.4
Apparel and Other Finished Products	7.0	7.1	5.9
Paper and Allied Products	50.0	50.2	50.5
Pulp and Paper Mills	31.2	31.4	31.7
Converted Paper and Paperboard Products	10.4	10.4	10.4
Paperboard Containers and Boxes	7.2	7.2	7.1
Printing, Publishing and Allied Industries	41.2	41.0	40.1
Newspapers	12.6	12.6	12.2
Commercial Printing	17.6	17.6	17.5
Chemicals and Allied Products	11.7	11.5	10.8
Rubber and Misc. Plastics Products	24.7	24.2	22.9
Miscellaneous Plastics Products	20.4	20.0	18.6
Leather and Leather Products	6.6	6.8	6.5
Leather Tanning and Finishing	1.6	1.7	1.7
Footwear (Except Rubber)	3.2	3.2	3.0
Other Nondurable Goods	-	-	-

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted)	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
	JULY					
All Manufacturing (Incl. Canning)	\$429	\$431	\$422	41.2	41.2	41.0
All Manufacturing (Excl. Canning)	438	437	431	41.4	41.5	41.2
Durable Goods	442	442	430	41.6	41.7	41.0
Lumber/Wood Prod. (Exc. Furn.)	324	321	314	41.2	41.1	39.6
Furniture and Fixtures	353	340	326	43.6	42.7	41.5
Stone, Clay and Glass Products	431	432	417	45.9	45.7	43.1
Primary Metal Industries	439	441	411	42.9	43.4	41.2
Iron and Steel Foundries	446	449	419	43.7	44.3	42.5
Fabricated Metal Products	416	418	410	40.7	40.8	39.8
Fab. Structural Metal Prod.	439	440	427	44.9	44.4	41.5
Metal Stampings	433	449	434	39.1	40.0	39.6
Machinery (Except Electrical)	491	487	489	42.3	42.1	42.5
Engines and Turbines	580	526	605	44.3	40.8	46.4
Farm Machinery and Equip.	511	548	513	41.5	43.1	41.4
Const. and Related Mach.	448	455	457	41.6	42.4	42.1
Metalworking Mach. and Equip.	520	518	512	42.6	42.9	42.7
Spec. Ind. Mach. (Exc. Metal)	481	491	480	41.0	41.8	40.4
Gen. Industrial Mach. and Equip.	474	490	484	41.0	42.0	40.4
Electrical Mach., Equip. and Supp.	411	419	416	40.3	41.1	40.9
Electrical Industrial Apparatus	457	457	439	41.1	41.0	40.8
Transportation Equipment	567	572	530	40.4	40.8	40.4
Instruments and Related Prod.	377	375	352	41.7	41.6	39.6
Nondurable Goods	410	416	410	40.5	40.5	40.9
Food and Kindred Products	354	365	346	39.2	38.3	38.8
Meat Products	363	362	350	41.1	40.9	39.8
Dairy Products	398	401	401	40.0	40.6	40.9
Textile Mill Products	291	301	322	41.2	41.9	40.8
Apparel and Other Fin. Prod.	245	248	245	38.7	39.4	39.4
Paper and Allied Products	570	566	574	45.2	45.1	46.8
Pulp and Paper Mills	619	615	627	46.1	46.0	48.4
Printing, Pub. and Allied Prod.	437	423	437	38.9	38.0	39.3
Chemicals and Allied Products	469	477	466	41.5	42.0	41.4
Rubber and Misc. Plastics Prod.	323	338	316	38.3	40.4	38.5
Leather and Leather Products	264	266	263	39.1	39.5	38.7

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted)	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest	Mo.	Yr.	Latest	Mo.	Yr.
	Month	Ago	Ago	Month	Ago	Ago
JULY						
All Manufacturing (Incl. Canning)	\$10.42	\$10.46	\$10.29	\$10.02	\$10.02	\$ 9.94
All Manufacturing (Excl. Canning)	10.57	10.54	10.45	10.15	10.10	10.09
Durable Goods	10.62	10.59	10.48	10.28	10.21	10.23
Lumber/Wood Prod. (Exc. Furn.)	7.86	7.81	7.94	7.81	7.76	-
Furniture and Fixtures	8.10	7.96	7.85	7.88	7.70	7.73
Stone, Clay and Glass Products	9.38	9.45	9.68	8.99	9.06	-
Primary Metal Industries	10.24	10.17	9.98	0.79	9.71	9.61
Iron and Steel Foundries	10.20	10.14	9.86	9.69	9.66	9.52
Fabricated Metal Products	10.21	10.25	10.31	9.77	9.84	9.93
Fab. Structural Metal Prod.	9.78	9.90	10.29	9.22	9.38	9.85
Metal Stampings	11.08	11.22	10.96	10.73	10.84	10.63
Machinery (Except Electrical)	11.61	11.57	11.50	11.28	11.13	11.18
Engines and Turbines	13.10	12.89	13.04	12.90	12.30	12.79
Farm Machinery and Equip.	12.31	12.71	12.39	11.73	12.29	11.93
Const. and Related Mach.	10.78	10.72	10.86	10.46	10.41	10.57
Metalworking Mach. and Equip.	12.21	12.08	11.98	11.87	11.74	11.60
Spec. Ind. Mach. (Exc. Metal)	11.72	11.75	11.88	11.19	11.20	11.39
Gen. Industrial Mach. and Equip.	11.56	11.67	11.98	11.13	11.23	11.50
Electrical Mach., Equip. and Supp.	10.19	10.20	10.17	9.80	9.81	9.86
Electrical Industrial Apparatus	11.11	11.14	10.77	10.85	10.92	10.54
Transportation Equipment	14.03	14.02	13.12	13.50	13.46	12.74
Instruments and Related Prod.	9.03	9.02	8.88	8.74	8.73	8.60
Nondurable Goods	10.13	10.27	10.02	9.63	9.72	9.51
Food and Kindred Products	9.03	9.53	8.91	8.68	9.02	8.47
Meat Products	8.84	8.84	8.82	8.47	8.44	8.43
Dairy Products	9.96	9.87	9.81	9.42	9.34	9.29
Textile Mill Products	7.06	7.18	7.89	6.79	6.91	7.61
Apparel and Other Fin. Prod.	6.34	6.29	6.21	6.16	6.14	6.08
Paper and Allied Products	12.62	12.56	12.26	11.87	11.84	11.66
Pulp and Paper Mills	13.42	13.38	12.95	12.56	12.54	12.36
Printing, Pub. and Allied Prod.	11.24	11.13	11.13	-	-	-
Chemicals and Allied Products	11.31	11.35	11.25	10.95	10.96	10.94
Rubber and Misc. Plastics Prod.	8.43	8.37	8.22	8.10	8.04	7.96
Leather and Leather Products.	6.75	6.74	6.79	6.51	6.48	6.64

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) JULY	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	\$401	\$406	\$392	40.6	41.1	40.2	9.88	9.74	—	—	—
Wisconsin	429	431	422	41.2	41.2	41.0	10.42	10.46	10.29	10.02	10.02
<i>Selected Areas</i>											
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	453	457	450	41.8	42.4	43.6	10.84	10.78	10.32	10.31	10.25
Beloit (City)	371	396	346	36.7	38.9	34.9	10.10	10.17	9.92	—	—
Eau Claire (Eau Claire-Chippewa)	450	451	413	41.6	41.8	39.9	10.81	10.78	10.36	10.16	10.09
Fond du Lac (County)	382	371	391	39.4	39.1	42.0	9.70	9.49	9.32	9.26	9.12
Green Bay (Brown County)	458	467	467	42.1	41.7	42.4	10.87	11.19	11.02	10.11	10.37
Janesville (City)	554	537	498	39.7	38.7	37.8	13.96	13.88	13.17	13.55	13.65
Janesville-Beloit (Rock County)	477	473	448	38.9	38.6	37.4	12.27	12.26	11.98	11.83	11.94
Kenosha (County)	473	498	441	38.9	40.5	39.2	12.17	12.29	11.24	11.80	11.69
La Crosse (County)	354	365	359	38.1	39.3	38.0	9.28	9.29	9.44	8.99	9.02
Madison (Dane County)	396	399	390	40.8	40.6	40.7	9.70	9.82	9.59	9.32	9.41
Manitowoc (County)	376	405	374	39.3	40.5	39.8	9.58	9.99	9.39	9.21	9.63
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	481	476	482	41.2	41.1	41.1	11.68	11.59	11.72	11.22	11.09
Racine (County)	430	455	415	39.3	40.7	39.0	10.95	11.17	10.65	10.72	10.94
Sheboygan (County)	395	397	360	41.4	41.8	38.8	9.53	9.49	9.27	9.05	9.01
Wausau (Marathon County)	426	428	416	43.1	43.3	42.0	9.89	9.88	9.90	9.40	9.41

EMPLOYMENT, MFG. (Unadjusted) JULY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,017.0	19,152.0	18,867.0	0.7	0.8
Wisconsin	531.4	526.2	520.0	1.0	2.2
<i>Selected Areas</i>					
Appleton-Oshkosh (Calumet- Winnebago-Outagamie)	51.2	51.0	48.5	0.4	5.6
Beloit (City)	4.8	4.7	4.6	2.1	4.3
Eau Claire (Eau Claire-Chippewa)	10.3	10.3	10.5	0.0	- 1.9
Fond du Lac (County)	10.0	10.8	10.5	-7.4	- 4.8
Green Bay (Brown County)	25.1	24.5	25.6	2.4	- 2.0
Janesville (City)	10.0	10.0	10.5	0.0	- 4.8
Janesville-Beloit (Rock County)	17.1	16.9	17.0	1.2	0.6
Kenosha (County)	13.1	12.8	10.7	2.3	22.4
La Crosse (County)	10.3	10.1	10.4	2.0	- 1.0
Madison (Dane County)	22.5	22.4	21.7	0.4	3.7
Manitowoc (County)	11.7	10.9	12.3	7.3	- 4.9
Milwaukee (Milwaukee-Ozaukee- Waukesha-Washington)	165.6	166.1	166.5	-0.3	- 0.5
Racine (County)	23.4	24.0	24.0	-2.5	- 2.5
Sheboygan (County)	20.0	19.9	19.0	0.5	5.3
Wausau (Marathon County)	13.7	13.5	12.4	1.5	10.5

WISCONSIN ECONOMIC FORECAST

by David H. Peterson and Gene Schubert

Economic events in 1987 have unfolded as expected. Consumption spending has weakened as has investment and government spending. The bright spot is in foreign trade with exports growing at double-digit rates while imports stagnate. The forecast calls for this general pattern to persist through 1989.

This is not to say that risks do not exist. One is that the dollar could fall and inflation could accelerate more rapidly than forecast. The resulting rise in interest rates could erode consumer and business confidence and cause a stock market correction. As a result, consumption and investment could slow dramatically and the economy could slide into a recession.

Another risk is that the expected improvement in foreign trade could fail to materialize. This along with weaker than expected consumption spending could produce very sluggish growth in the Gross National Product (GNP), but no recession.

These risks while recognized are not considered the most likely course of events.

Consumption

The forecast calls for consumption spending to decelerate from over 4.0 percent growth in 1985 and 1986, to 2.2 percent in 1987, and 2.4 percent in 1988. Evidence from the first half of 1987 indicates that this is indeed occurring. The consumer has little room for expansion. In recent years, consumption spending has risen faster than income. This has been financed by a declining saving rate and an expansion of consumer debt. Now, with income

rising slowly and the cost of imported goods rising rapidly, a slowdown in consumption spending is expected.

Investment

The outlook for investment spending is quite weak. Total investment spending is forecast to grow by 0.8 percent in 1987, by 0.5 percent in 1988, and by 1.9 percent in 1989.

Construction of nonresidential structures and multifamily housing has been hurt by recent tax law changes and by overbuilding and has fallen sharply.

Single family housing, although not adversely affected by tax reform, has slowed this year due to the rise in mortgage interest rates.

Investment in business equipment is forecast to grow slowly. Business equipment investment was adversely affected by the repeal of the investment tax credit. In addition, capacity utilization is still at relatively low levels and industrial output is expected to grow modestly.

Government

Spending by state and local government is expected to decelerate from growth rates in excess of 4.0 percent, to growth of 3.4 percent in 1987, and 1.4 percent in 1988 and 1989. Budget surpluses accumulated during the early stages of the recovery have dwindled and fiscal pressure from declining federal grants will put downward pressure on spending.

The federal government is expected to continue to struggle with its massive fiscal imbalance. Therefore, federal spending is expected to decline 0.2 percent this year, then grow 1.0

percent in 1988 and 0.2 percent in 1989.

Foreign Trade

The "real" balance of trade is expected to improve throughout the forecast period. Exports are forecast to increase 10.2 percent in 1987, 9.3 percent in 1988, and 7.2 percent in 1989. Imports are forecast to increase 2.8 percent in 1987 and 1.4 percent in 1988, and decline 0.4 percent in 1989.

The "real" balance of trade (measured in constant 1982 dollars) has been improving since the third quarter of 1986. This may be surprising since the monthly trade figures have shown no sign of improvement. The reason behind this apparent discrepancy is that the monthly merchandise trade figures are not adjusted for inflation. Since the prices of imports have been rising more rapidly than the prices of exports, a "real" improvement has been occurring, that is the volume of goods exported is increasing more rapidly than the volume of goods imported. As these trends continue, improvements in nominal trade balances should occur.

Correcting the foreign trade imbalance is seen as an "improvement" when we view ourselves as producers because it means more production and jobs at home. It will prove to be a difficult adjustment however when we view ourselves as consumers because we must pay higher prices for imported goods. The current forecast anticipates rising import prices dampening consumers' demand for foreign goods while foreigners use their enhanced purchasing power to demand a greater share of U.S. production.

Inflation

The outlook for inflation is for gradually accelerating price increases. The consumer price index is forecast to rise by 3.8 percent in 1987, 4.7 percent in 1988 and 4.9 percent in 1989. These rates are distinctly higher than the 1.9 percent experienced in 1986. The 1986 inflation experience was heavily influenced by falling oil prices which are now gradually increasing. Over the forecast period inflationary pressures are anticipated to originate in the foreign sector as the prices of imported goods rise in response to the weaker dollar.

Wisconsin Outlook

The Wisconsin economy is maintaining growth at rates which suggest a continuation of recent past performance. There has been moderate growth following strong growth in 1984 when the recovery from the last recession first took full bloom. On balance, the economic growth patterns in Wisconsin have coincided remarkably with the national economic performance, especially when consideration of the industry mix is taken into account. This pattern of modest growth is expected to continue over the next two years as no national recession or business cycle correction is yet in sight.

Total nonfarm employment growth is expected to improve this year and in 1988 and 1989 as compared with the last two years when the gain in new jobs was 1.8 percent and 1.6 percent. Nonfarm employment growth this year is expected to be 2.3 percent followed by gains of 2.0 percent next year and 1.9 percent in 1989. Most of the additional growth will come from a reversal of the 1985 and 1986 declines in durable manufacturing jobs. While

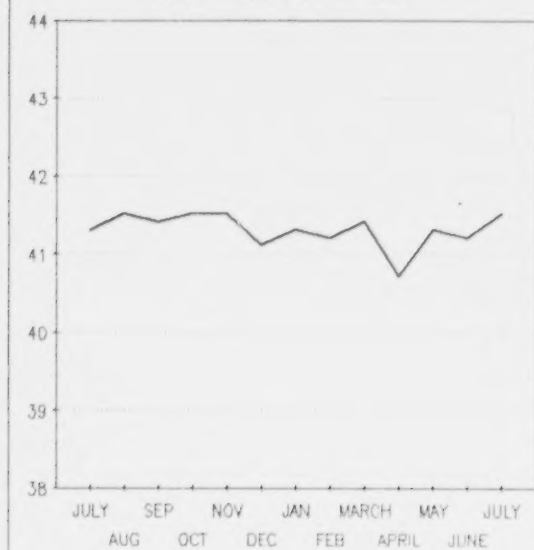
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WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

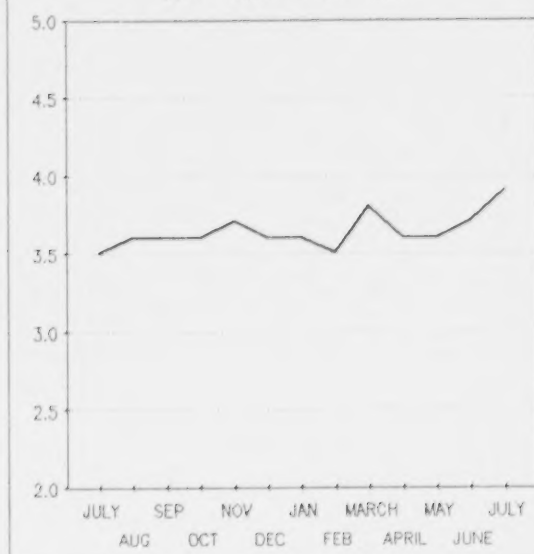
	1985	1986	1987	1988	1989
MANUFACTURING	513.9	512.5	519.7	525.1	528.2
DURABLES	315.5	310.2	313.0	315.9	316.7
LUMBER PRODUCTS	22.9	23.3	25.0	24.8	24.5
STONE, CLAY, GLASS	7.9	7.9	8.9	9.4	9.4
PRIMARY METALS	19.5	19.0	18.5	18.1	17.7
FABRICATED METALS	51.4	51.5	51.0	51.5	51.8
NON-ELECT. MACHINERY	100.5	98.6	99.1	100.5	100.3
ELECTRICAL MACHINERY	49.9	48.5	47.5	47.9	48.6
TRANS. EQUIPMENT	32.3	30.5	31.9	32.3	32.9
OTHER DURABLES	31.0	30.9	31.2	31.4	31.5
NONDURABLES	198.4	202.2	206.6	209.3	211.5
FOOD PRODUCTS	61.6	62.1	63.5	63.1	62.7
PAPER PRODUCTS	48.0	49.0	49.5	49.8	50.0
PRINTING & PUBLISHING	38.1	39.6	40.9	42.8	44.3
CHEMICALS	10.0	10.6	11.0	11.1	11.1
RUBBER & PLASTICS	22.5	23.3	24.3	25.1	26.0
OTHER NONDURABLES	18.3	17.6	17.4	17.4	17.4
MINING	1.9	2.0	2.1	2.0	2.0
CONSTRUCTION	64.4	63.8	65.7	66.7	69.6
TRANS., COMM., UTILITIES	94.2	92.8	94.0	96.7	97.6
FINANCE, INSUR., REAL EST.	103.9	107.7	111.6	115.3	119.3
TRADE	465.1	477.8	492.5	501.5	510.2
SERVICES	419.0	432.9	448.3	466.2	485.3
GOVERNMENT	320.6	325.1	327.3	327.9	328.2
TOTAL EMPLOYMENT (Nonfarm)	1983.0	2014.7	2061.2	2101.6	2140.5

CYCLICAL INDICATORS

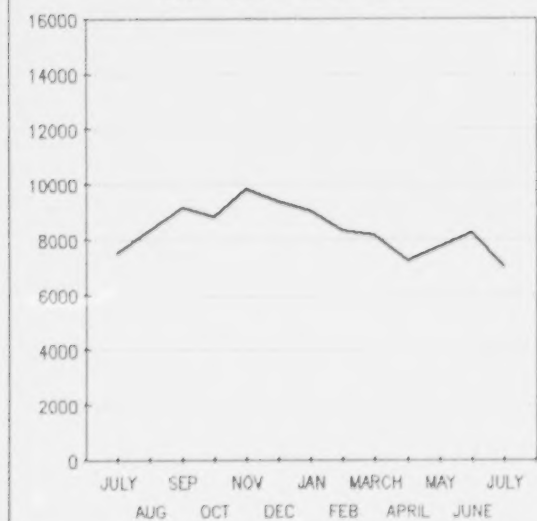
AVG. WORKWEEK, MFG. (hours)
JULY 1986 - JULY 1987



AVG. WEEKLY OVERTIME HOURS, MFG.
JULY 1986 - JULY 1987



**AVG. WEEKLY INITIAL CLAIMS
FOR UNEMPLOYMENT COMPENSATION**
JULY 1986 - JULY 1987



NEW BUSINESS INCORPORATIONS
JULY 1986 - JULY 1987



CYCLICAL INDICATORS

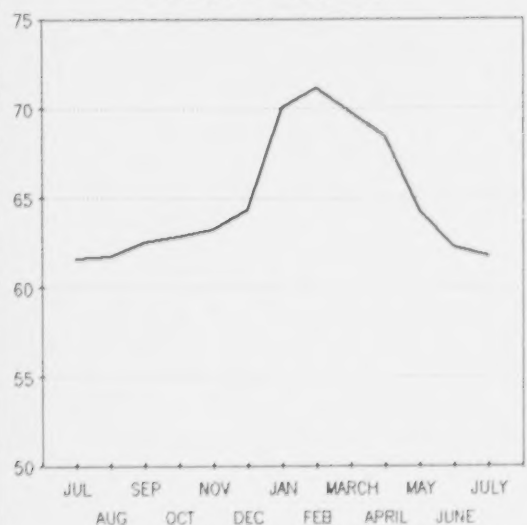
BUILDING PLANS EXAMINED
JULY 1986 - JULY 1987



MANUFACTURING EMPLOYMENT
(Thousands of workers)
JULY 1986 - JULY 1987



CONTRACT CONSTRUCTION EMPLOYMENT
(Thousands of workers)
JULY 1986 - JULY 1987



UNEMPLOYMENT COMPENSATION EXHAUSTEES
JULY 1986 - JULY 1987





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the growth in durable manufacturing jobs is not expected to be substantial, the turnaround, attributed to the weaker dollar and consequently strong export growth, will be enough to increase employment in Wisconsin.

The nonmanufacturing employment sectors of Wisconsin's economy continue to be the source of most new jobs. Of the 46,500 additional jobs expected this year, 37,300 (80 percent) will originate in the service producing sectors. Transportation, communication and utilities is expected to show a gain of 1,200, finance, insurance, and real estate a gain of 3,900, trade a gain of 14,700, services a gain of 15,400, and all government a gain of 2,200. Mining and construction, part of the goods producing group, will show a gain of 2,000 jobs this year.

The trend for job growth in the service producing sectors is expected to continue in 1988 and 1989. Weak consumption spending is expected to reduce the employment growth in trade, but this will be balanced by continuing growth in service employment.

Government employment growth is

expected to resume its trend in line with population growth, after two years of exceptionally strong employment growth in 1985 and 1986. The latter was associated with local governments and school districts.

Personal income growth is expected to be marginally weaker this year as wage rates continue to be under downward pressure in moves to be more competitive with other areas of the nation and foreign countries. Personal income in Wisconsin is expected to expand by 4.3 percent this year following a gain of 5.1 percent in 1986. Wages and salaries are projected to gain by 4.7 percent versus 5.1 percent last year. Wages and salaries will recover to a more normal growth range in 1988 and 1989 as wage increases are expected to continue catching up to general price inflation. Total personal income should grow by over 6.0 percent in both 1988 and 1989, with wages growing at 5.6 percent next year and at 6.2 percent in 1989.

In summary, Wisconsin can expect to see a continuation of past growth trends and mirror the national growth pattern to a large extent. A gradual turnaround of the trade balance should be helpful to the Wisconsin economy.